VZCZCXRO4183 OO RUEHCHI RUEHDT RUEHHM DE RUEHBK #6398/01 2921137 ZNY CCCCC ZZH O 191137Z OCT 06 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC IMMEDIATE 2426 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS RUEHBJ/AMEMBASSY BEIJING 3102 RUEHBY/AMEMBASSY CANBERRA 6201 RUEHUL/AMEMBASSY SEOUL 2250 RHEHNSC/NSC WASHDC RHEFDIA/DIA WASHDC RHHMUNA/HQ USPACOM HONOLULU HI RHHMUNA/CDR USPACOM HONOLULU HI RHFJSCC/COMMARFORPAC RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RUEAIIA/CIA WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 BANGKOK 006398

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E.O. 12958: DECL: 10/18/2016

TAGS: PGOV PHUM TH

SUBJECT: THAILAND UPDATE OCTOBER 19: IT'S BETTER TO BE GOOD THAN TO BE CLEVER

Classified By: DCM Alexander A. Arvizu reason 1.4 (b) (d)

11. (C) SUMMARY: There is a vigorous debate over the choice of president of the new assembly, which will begin work next week. Several members of the cabinet are advocating "anti-vice" measures, including raising the drinking age to 25 and ending the national lottery, as well as introducing a strong ethics and morality component into the national curriculum. Thai Rak Thai (TRT) continues to shrink, with the southern-based Wadah faction resigning. They may join forces with northeastern-based former TRT MPs and former PM General Chavalit to recreate the New Aspiration Party. The National Counter-Corruption Commission (NCCC) has received assets declarations from all the former Cabinet ministers including former PM Thaksin and will examine them for evidence of ill-gotten gains. End summary.

ASSEMBLY CHAIR CONTROVERSY CONTINUES

12. (SBU) Everyone is kibitzing over the selection of the President of the National Legislative Assembly (NLA), which will hold its ceremonial opening ceremony on Friday, October 20 and begin work in earnest on October 24. The early front-runner, noted jurist Meechai Ruchupan, has been widely criticized for his previous service to the 1991 coup committee and to former PM Thaksin. Some NLA members are saying publicly that the president does not have to be a jurist, just a good leader, in an effort to undercut Meechai's main credential. The ABAC Poll Centre reported that the most popular candidate (30 percent) for the post was former interior minister Purachai Piumsombum, famous for his zealous efforts to stamp out vice in Bangkok. Purachai was a close associate of Thaksin and leading TRT member, until he took a break from politics in 2005 "to spend more time with his family" in New Zealand. As Interior Minister in 2001, he launched a "social order" campaign that included earlier closing times for bars and other efforts to clean up Bangkok's picturesque nightlife -- popular moves with at least part of the citizenry that is culturally conservative. Meechai came second in the ABAC with 19.5 percent. Prasong Soonsiri, the controversial former National Security Council SecGen and veteran of the 1992 democracy movement, is also in the race. Both print and broadcast media are covering the

MORE ON VICE

- 13. (SBU) Vice is clearly one of the preoccupations of the interim government. The health minister pushed through a ban on alcohol advertisements and tried to institute a rise in the drinking age to 25. The minister appears to have won the battle on the advertising ban (although it may cost some 30,000 jobs, according to industry sources). The cabinet did not agree to raise the drinking age, and the issue will be studied further. Poloff spoke to some university students this week who were sanguine over military coup but very concerned about the rise in the drinking age -- and these were Muslim students attending an iftar.
- 14. (SBU) The education ministry is also on board. PAO met with the ministry's Permsec this week, who emphasized the need for "morality and ethics" to be included in the new national curriculum being developed. She underscored the importance of teaching kids to be "good people" before teaching them to be "competent" -- reversing the order of priorities under Thaksin, she said.
- 15. (SBU) The government is also debating what to do about the national lottery. On the one hand, some are arguing for ending the lottery, since people who cannot afford it are seduced into gambling by the allure of the big jackpots. On the other hand, some argue that the criminals running the underground lottery will be the main beneficiary if the state lottery ends. A possible middle ground is to continue the lottery but eliminate the largest jackpots. Thaksin championed the national lottery as a revenue source for the

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government that would also hurt the criminal class by eliminating the draw of the underground lottery. However, he is accused of misusing the lottery proceeds as a slush fund, yet another issue on the long list of transgressions to be investigated by the interim government. Like the ban on alcohol ads, the lottery decision also has revenue implications.

16. (C) Comment: While it's easy to laugh about a 'morality campaign,' question of ethics and how to maintain them is in many ways cuts to the heart of the political crisis that led to Thaksin's ouster. The commitment to morality and the "sufficiency economy" championed by King Bhumiphol and now by the interim government signals a direct repudiation of "Thaksinomics" and the culture of corruption that came along with it. Some elements of this policy may be very popular, as Thailand's image as haven for sex tourists and reprobates is offensive to many Thais. Parents are especially worried about the temptations that their children face in free-wheeling Bangkok. If the government goes too far, however, it will only reinforce concerns that it is paternalistic and economically naive. End comment.

CHAVALIT REDUX?

¶7. (U) Thai Ral

17. (U) Thai Rak Thai (TRT) lost seven more members, as the Wadah faction announced its resignation from Thai Rak Thai. Wadah included TRT MPs from the South, all of whom had lost their seats in the 2005 election. Some Wadah members said that they would consult with former TRT MPs from the northeast to see if they might all approach former PM General Chavalit Yongchaiyudh about reconstituting his New Aspiration Party (NAP), which had been folded into TRT.

WHERE ARE THEY NOW?

 $\underline{\P}8.$ (C) All the members of the former cabinet, including Thaksin, have turned in their assets declarations to the

National Counter-Corruption Commission (NCCC), which will examine them for evidence of ill-gotten gains. The NCCC was one of the independent watchdog bodies that had been neutralized during the Thaksin administration. The previous members of the NCCC had all lost their jobs after they voted themselves an unauthorized pay raise in May, 2005. The previous Senate had been unable to choose a new commission, resulting in an enormous backlog of unexamined cases of alleged official corruption. The coup makers revived the NCCC in the immediate aftermath of the coup. The NCCC spokesman said that the commission would make public the declarations within one month.

19. (U) Thaksin's wife Pojaman returned to Thailand from London on October 18. She was reportedly accompanied by two of her children as well as close Thaksin advisor Pansak Vinyaratn.
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